

# Oil and Gas Division

Lynn D. Helms - Director

Bruce E. Hicks - Assistant Director

## Department of Mineral Resources

Lynn D. Helms - Director

## North Dakota Industrial Commission

[www.dmr.nd.gov/oilgas/](http://www.dmr.nd.gov/oilgas/)

March 21, 2014

Shaun L. McGrath  
Regional Administrator  
U.S. EPA Region 8  
1595 Wynkoop Street  
Denver, CO 80202-1129

RECEIVED  
U.S. EPA Region 8  
RA's Office

MAR 25 2014

Re: United States Environmental Protection Agency (EPA) February 2014 Memorandum "Implementation of the Safe Drinking Water Act's Existing Underground Injection Control Program Requirements for Oil and Gas Hydraulic Fracturing Activities Using Diesel Fuels". North Dakota Industrial Commission, Department of Mineral Resources, Oil and Gas Division (NDIC) "mechanism to inform owners or operators of applicable UIC Program requirements and application deadlines" and procedure for identifying whether diesel fuel, as defined by the EPA, will be utilized in hydraulic fracturing activities.

Dear Mr. McGrath,

This letter is in response to page 5 of the February 2014 memorandum that accompanied Underground Injection Control Guidance #84 titled "Permitting Guidance for Oil and Gas Hydraulic Fracturing Activities Using Diesel Fuel" wherein EPA Regional offices are instructed to continue to coordinate with State oil and gas programs and the appropriate BLM office to establish a mechanism to inform owners or operators of applicable UIC Program requirements and application deadlines.

The NDIC is writing to inform EPA Region 8 that the NDIC has taken appropriate measures to establish a mechanism to inform operators of applicable UIC Program requirements when diesel fuel, as defined by EPA, will be utilized in hydraulic fracturing fluid or propping agents.

During the application process for a permit to drill an oil and/or gas well in North Dakota, the applicant is required to submit a Drilling Program which indicates the completion technique for the proposed well. The NDIC has instructed all parties filing applications for permit to drill that use of diesel fuel, as defined by EPA, during hydraulic fracturing of the well must be included in the completion technique information within the Drilling Program. The NDIC strategically chose the Drilling Program in anticipation that it would be prepared by a petroleum engineer and/or geologist. The Drilling Program is a technical description of the geology, wellbore construction, and wellbore completion. The evaluation of the Drilling Program, performed during the permit review process allows the NDIC to respond accordingly, based on the proposed completion technique. If diesel fuel, as defined by EPA, will be utilized during hydraulic fracturing of the well, then the oil and gas permit application will be put on hold and the applicant will be notified of the relevant UIC requirements. The applicant will also be directed to the appropriate UIC regulatory agency (i.e. Class II Primacy authority) based on the surface and/or bottom hole location of the proposed well.

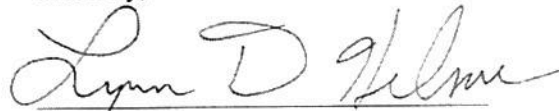
Diesel is defined by EPA as follows:

- **68334-30-5 Primary Name: Fuels, diesel**  
Common Synonyms: Automotive diesel oil; Diesel fuel; Diesel oil (petroleum); Diesel oils; Diesel test fuel; Diesel fuels; Diesel fuel No. 1; Diesel fuel [United Nations-North America (UN/NA) number 1993]; Diesel fuel oil; European Inventory of Existing Commercial Chemical Substances (EINECS) 269-822-7.
- **68476-34-6 Primary Name: Fuels, diesel, No. 2**  
Common Synonyms: Diesel fuel No. 2; Diesel fuels No. 2; EINECS 270-676-1; No. 2 Diesel fuel.
- **68476-30-2 Primary Name: Fuel oil No. 2**  
Common Synonyms: Diesel fuel; Gas oil or diesel fuel or heating oil, light [UN1202] No. 2 Home heating oils; API No. 2 fuel oil; EINECS 270-671-4; Fuel oil No. 2; Home heating oil No. 2; No. 2 burner fuel; Distillate fuel oils, light; Fuel No. 2; Fuel oil (No. 1,2,4,5 or 6) [NA1993].
- **68476-31-3 Primary Name: Fuel oil, No. 4**  
Common Synonyms: Caswell No. 333AB; Cat cracker feed stock; EINECS 270-673-5; EPA Pesticide Chemical Code 063514; Fuel oil No. 4; Diesel fuel No. 4.
- **8008-20-6 Primary Name: Kerosene**  
Common Synonyms: JP-5 navy fuel/marine diesel fuel; Deodorized kerosene; JPS Jet fuel; AF 100 (pesticide); Caswell No. 517; EINECS 232-366-4; EPA Pesticide Chemical Code 063501; Fuel oil No. 1; Fuels, kerosine; Shell 140; Shellsol 2046; Distillate fuel oils, light; Kerosene, straight run; Kerosine, (petroleum); Several Others.

The NDIC and all oil and gas operators in North Dakota have anticipated this guidance for some time and are aware of the requirement to obtain a UIC permit when using diesel fuel during the hydraulic fracturing stimulation of an oil and gas well. Currently in North Dakota diesel fuel is not being utilized in hydraulic fracturing stimulations and the NDIC anticipates operators will continue not to use diesel fuel. In accordance with the NDIC's Class II primacy memorandum of agreement with EPA Region 8, the NDIC has established within the oil and gas permitting process an effective mechanism to inform owners or operators of applicable UIC Program requirements and application deadlines and to allow operators to indicate whether diesel fuel will be utilized in the completion of the oil and gas well.

If you have any questions please contact Kevin Connors at 701.328.8049.

Sincerely,



Lynn D. Helms

Director

North Dakota Department of Mineral Resources



DEPARTMENT OF NATURAL RESOURCES  
AND CONSERVATION  
BOARD OF OIL AND GAS CONSERVATION



STEVE BULLOCK, GOVERNOR

OIL AND GAS CONSERVATION DIVISION

STATE OF MONTANA

August 21, 2014

Mary Greene  
Environmental Integrity Project  
1000 Vermont Avenue NW, Suite 1100  
Washington, DC 20005

Dear Ms. Greene:

The Montana Board of Oil and Gas Conservation is in receipt of your letter of August 13, 2014, alleging certain violations with regard to oil-well fracturing in Montana.

Specifically, your letter states a frac job performed by Oasis Petroleum on the Freesia Federal 2658 13-11H well, used a diesel fuel compound identified as Chemical Abstracts Service (CAS) #8008-20-6 (kerosene).

We have reviewed the FracFocus report for the frac job on this well, and there is no mention of CAS #8008-20-6, nor of any other diesel fuel compound. We understand that Oasis may have amended their original report.

Thank you for bringing this to our attention.

Sincerely,

A handwritten signature in cursive script, reading "James W. Halvorson".

James Halvorson  
Administrator

cc: John Tubbs, Montana DNR  
Shaun McGrath, EPA Region 8

RECEIVED  
U.S. EPA Region 8  
RA's Office

AUG 26 2014

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1625 ELEVENTH AVENUE  
PO BOX 201601  
HELENA, MONTANA 59620-1601  
(406) 444-6675

TECHNICAL AND  
SOUTHERN FIELD OFFICE  
2535 ST. JOHNS AVENUE  
BILLINGS, MONTANA 59102-4693  
(406) 656-0040

NORTHERN FIELD OFFICE  
201 MAIN STREET  
PO BOX 690  
SHELBY, MONTANA 59474-0690  
(406) 434-2422





GARY R. HERBERT

*Governor*

SPENCER J. COX

*Lieutenant Governor*

## State of Utah

### DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER

*Executive Director*

#### Division of Oil, Gas and Mining

JOHN R. BAZA

*Division Director*

September 15, 2014

Mary E. Greene  
Senior Managing Attorney  
Environmental Integrity Project  
1000 Vermont Avenue NW, Suite 1100  
Washington, DC 20005

SUBJECT: SAFE DRINKING WATER ACT REQUIREMENT APPLICABLE TO DIESEL FUEL USE IN HYDRAULIC FRACTURING

Dear Ms. Greene:

I am responding to your letter dated August 12, 2014 that you sent to Mr. Michael Styler, Executive Director of the Utah Department of Natural Resources. In that correspondence you identified one well in Utah (API # 43-007-50117) operated by Bill Barrett Company (BBC) that reported to Fracfocus that diesel was used in a hydraulic fracturing operation. The date of the hydraulic fracturing procedure was February 24, 2012. It was your concern that well did not have the proper Class II injection permit as required by the SWDA. It should be noted that the hydraulic fracturing operation in question occurred long before the EPA Guidance Document #84 was finalized by the EPA and defined specifically what qualified as diesel in February 2014.

However, after reviewing your concerns and after research was conducted by the Division of Oil, Gas and Mining (DOGM), it was determined the operators are not using diesel in hydraulic fracturing operations in Utah at the current time. If they do, it would be required that they obtain a Class II injection permit as directed by the EPA Guidance Document # 84. The operators that DOGM has contacted are aware of this requirement.

In the case of the BBC well that you are questioning, research determined that the original data input into Fracfocus indicating the use of diesel was in error. DOGM allows for the correction of data so that actual processes can be represented. The evidence of what was actually used in the hydraulic fracturing by BBC is supported by an invoice from Halliburton indicating that the product used was LGC-VI-UC (a non-diesel product). BBC is in the process of correcting this data reported to Fracfocus in error. Additional research has shown that the Halliburton product LGC-VI (diesel product) that was reported to Fracfocus has not been used since 2006.



Page Two  
Mary E. Greene, EIP  
September 15, 2014

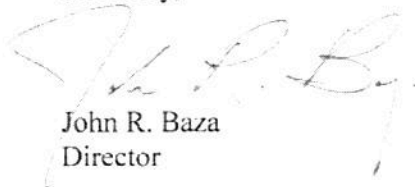
In order to address some of your other concerns:

- The well in question is in compliance with DOGM rules.
- DOGM determined that no enforcement is necessary.
- Research has shown that no other wells in Utah have been hydraulically fractured using diesel since the guidance document has been finalized.
- Water monitoring has been an ongoing evaluation by DOGM for nearly 20 years in conjunction with a joint study with the USGS. No contamination has been detected in any water wells.
- Public notification of use of diesel products in hydraulic fracturing is well documented by the EPA. The EPA has posted a detailed definition on their website defining diesel products that require a Class II permit.
- Mechanical Integrity Tests (MIT) are an ongoing procedure for all wells in Utah as described in our rules R649-3-36.
- Financial assurance is enforced through our Bonding Rule R649-3-1.

In summary, DOGM has not seen operators using diesel in hydraulic fracturing operations in Utah. The rules we have in place address your other concerns. DOGM will continue to monitor Fracfocus for diesel use. However, through communication with current Utah operators their current plans are not to use diesel in hydraulic fracturing operations in Utah. In addition, they are aware of the need to obtain a Class II injection permit if they do use diesel.

Please contact John Rogers, Associate Director of Oil, Gas Program, at (801) 538-5349 or [johnrogers@utah.gov](mailto:johnrogers@utah.gov), if you have any further needs.

Sincerely,

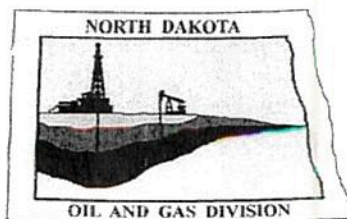


John R. Baza  
Director

JRB:jcr/er

cc: Shaun McGrath, EPA Region 8 Administrator  
Mike Styler  
Alan Matheson  
Duane Zavadil, Bill Barrett Corporation





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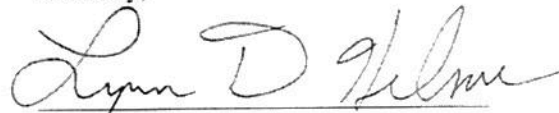
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